



**Office of the Attorney General
Robert E. Cooper, Jr.**

NEWS RELEASE

FOR IMMEDIATE RELEASE

June 12, 2008

#08-29

CONTACT:

Sharon Curtis-Flair

(615) 741-5860

BILL TO AID TENNCARE FRAUD TASK FORCE SIGNED TODAY

Tennessee Attorney General Bob Cooper, TBI Director Mark Gwyn and TennCare Director Darin Gordon say they now have a promising tool to help deter provider TennCare fraud as the result of a new law signed by Governor Bredesen today.

Specifically, the new law will make lying or willfully withholding evidence in connection with an investigation of TennCare fraud a felony in Tennessee and is similar to one currently used by the federal government. The bill will strengthen the efforts of the TennCare Provider Fraud Task Force, which includes representatives from the Attorney General's Office, TennCare and the TBI Medicaid Fraud Control Unit.

The task force recovered more than \$7.7 million in approximately 10 healthcare provider fraud cases from January 2007 to date. The funds came from civil agreements between the State of Tennessee and various pharmaceutical and healthcare companies alleged to have violated Tennessee's Medicaid fraud statutes. The allegations included fraudulent billing to TennCare, kickbacks to physicians, drug-switching schemes and misrepresenting the Average Wholesale Price (AWP) for pharmaceuticals to the government.

"This new law will enhance our ability to focus on providers who attempt to defraud the system as well as our ability to recover money illegally taken from TennCare," said Attorney General Cooper. "We appreciate the governor's recognition of the importance of this measure by placing it in his legislative package. We also thank the bill sponsors: Sen. Jim Kyle; House Majority Leader Gary Odom, and Rep. Craig Fitzhugh."

TBI Director Gwyn added, "Tennesseans have sent law enforcement a clear message that they want us to aggressively pursue TennCare fraud, and this new law is an important tool in this effort. Our task force fosters better information-sharing between the TBI, TennCare and the Attorney General's office so we can identify the fraud faster and respond more quickly. My hope is that, in the future, we can expand the TBI's Medicaid Fraud Control unit to dedicate even more resources to this important mission."

"Joining our resources and using this new statute will significantly increase efficiency between agencies, as we work to enhance accountability to Tennessee taxpayers," said Darin Gordon, TennCare Director. "By becoming more aggressive in our pursuit of people who attempt to

defraud TennCare, we help ensure that tax dollars funding the program are used appropriately.”

Anyone who is aware of fraud within the TennCare program is urged to call the TBI Hotline at 1-800-433-5454 to report it. Tipsters may remain anonymous.